

**Yellow Medicine County Board of Commissioners
Policy Manual**

Policy Statement

TITLE

YMC Donation Acceptance Policy

CODE

601

REFERENCE

MN Statute 465.03

PERSONNEL RESPONSIBLE

County Board, County Administrator

EFFECTIVE DATE

December 13, 2016

UPDATED/AMENDED

POLICY

601.100 Policy Statement - This policy is enacted for the purpose of providing those in the community the opportunity to give to the County, for varied reasons, in-kind services, cash or property to be used for memorials, gifts and donations.

601.200 General Policies

- A. The County shall encourage donations.
- B. Donations to County programs must be consistent with established goals and objectives for the individual program, and/or the County as a whole.
- C. In cases where the donation is not consistent with the County's adopted policies, the Department Head will attempt to identify alternatives for the donor's consideration and approval.
- D. All donations will not be considered private or proprietary assets.
- E. All items purchased or accepted by donation will receive standard levels of maintenance during their normal life expectancy.
- F. Items that are vandalized will be repaired or replaced as feasibly possible, but the County does not guarantee replacement of any items damaged beyond repair or where the cost to do so is not considered cost effective.
- G. The County reserves the right to deny any donation.
- H. The Yellow Medicine County Board of Commissioners shall revise this policy as necessary.

601.300 Procedures

A. Donation Procedures

1. After any donation is received, the staff member who secured the donation must complete a "Receipt for Donated Goods Form". The completed form should be turned in to the Finance Manager's Office with a copy of supporting documentation, if any. (The prospective Department should retain a copy and a copy should be given to the donor).
2. Upon receipt of the Donated Goods Form and after review from the Finance Manager's Office, the department will bring all donations in excess of \$500 to the County Board of Commissioners for consideration. In accordance with Minnesota Statute 465.03, each acceptance of gifts must be approved by resolution adopted by a two-thirds majority vote of its members, expressing such terms in full. For donations under \$500, the Board of Commissioners has delegated the authority of approval to the County Administrator.
3. The County's policy is to receive and approve cash donations before the purchase or program expenditure is made. When advance payment is not possible, the donor may make special arrangements to reimburse the County for a specific item already purchased.
4. Cash donations will be deposited with the Finance Manager's Office and coded to specified departments.
5. At year end, a detailed report showing the donations below the \$500 threshold will be approved by the County Board.

B. Receipt of Donations

1. The County is able to accept donations of land, materials, in-kind services and cash. Donations of land require Board approval and shall be consistent with other County policies. All donors of land, materials and cash shall be issued a receipt incorporating specific information.
2. County employees for departments accepting donations shall complete forms prepared by the Finance Manager's Office, as outlined in "Part C".

C. Receipt Guidelines

1. All receipts must include:
 - a. Verification that no goods or services were provided in exchange, in whole or in part, for the donation.
 - b. The cash receipt should reflect the amount of the cash donation.
 - c. The land, material and services receipt shall include a clear description of the land, goods or services donated. Do **NOT** affix a value to the materials or services donated. It is incumbent upon the donor to provide the proper justification and fair market value of the donation. The IRS has regulations that determine the value for donated items; i.e. the donor might need to provide an appraisal to the IRS to declare full deduction. In cases of land donations, the Assessor's department will determine the value of the land, upon request from the donor. The Finance Manager shall sign the donor's IRS form 8283 (Non-cash Charitable

Contribution). *See receipt form.*

- d. Statement indicating donation is tax deductible to the extent allowed by law and it is the responsibility of the donor to determine the fair market value of the contribution.
 - e. If donated for a specific purpose, include a statement that the donation will be used for a specific project.
2. The Finance Manager's Office, as well as the receiving department, will retain a copy of all donation receipts. The Finance Manager's Office will make receipts and other required information available in the event of an IRS audit of a donor's return.
3. In cases where a property is jointly owned by the County and other entities, all parties will negotiate and sign a written agreement indicating ownership of the donated asset.

YELLOW MEDICINE COUNTY RECEIPT FOR DONATED CASH

(One copy to Finance Manager's Office, one copy for Department, and one copy for donor – attach approval documentation)

Date: _____

Name: _____

Address: _____

Phone: _____

Amount of Donation: _____

Please check where appropriate:

_____ This donation is to be used at the County's discretion; or

_____ This donation is to be used specifically for the following purpose:

_____ Please respect my privacy, I do not wish to be recognized for my contribution.

_____ I wish to be recognized for my contribution:

In memory of: _____

In honor of: _____

Other: _____

Person completing this form: _____

Signature of Donor: _____

Donation is tax deductible to the extent allowable by law.

YELLOW MEDICINE COUNTY RECEIPT FOR DONATED CASH

"Donations for Public Improvements"

(One copy to Finance Manager's Office, one copy for Department, and one copy for donor – attach approval documentation)

Date: _____

Name: _____

Address: _____

Phone: _____

_____ No goods or services were provided in exchange, in whole or in part, for the donation.

_____ If land, goods, or services, describe land, goods or services donated:

Donor's IRS form (8283) signed by the County's Finance Director. Donation is tax-deductible to the extent allowable by law. It is the responsibility of the donor to determine fair market value of this donation.

Please check where appropriate:

_____ This donation is to be used at the County's discretion; or

_____ This donation is to be used specifically for the following purpose:

_____ Please respect my privacy, I do not wish to be recognized for my contribution.

_____ I wish to be recognized for my contribution:

In memory of: _____

In honor of: _____

Other: _____

Person completing this form: _____

Signature of Donor: _____

Donation is tax deductible to the extent allowable by law.